



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Kim Becker Aguirre

**SUBJECT:** SEE BELOW

**DATE:** March 16, 2015

Approved

*D. DSL*

Date

*3/25/15*

**SUBJECT: APPROVAL OF CONSULTANT MASTER SERVICES AGREEMENTS  
WITH AECOM AND GENSLER FOR ON-CALL TECHNICAL  
SERVICES TO SUPPORT THE AIRPORT CAPITAL IMPROVEMENT  
PROGRAM**

## **RECOMMENDATION**

Approve Master Consultant Agreements with two firms, AECOM and Gensler, for on-call engineering, architectural and program management services to support implementation of the Airport Capital Improvement Program for a term from the date of Council approval to June 30, 2020, in an amount not to exceed \$6,000,000 for each Agreement.

## **OUTCOME**

Approval of the recommendation will provide the availability of consultant resources and expertise for as-needed technical assistance for implementation of capital projects at the Norman Y. Mineta San José International Airport.

## **BACKGROUND**

Since 1998, the City has utilized technical consultant services to support the implementation of the Airport Master Plan and the Airport Capital Improvement Program. In 2006, the City Council approved consultant master services agreements with two firms (URS and Jacobs) to provide as-needed engineering, architectural, and program management resources and expertise in support of a variety of capital projects at the Airport, including terminal upgrades and airfield pavement rehabilitation. These agreements, as amended to date, will expire on June 30, 2015.

These on-call technical consultant services, provided through specific task orders issued by the City, have proven very valuable by providing expertise that is not available within the City staff organization, and augmenting City staff to flexibly and efficiently meet the variable demands

associated with planning, design and implementation of Airport projects. Having multiple on-call consultant teams available has also allowed for more competitive pricing and a larger pool of technical resources.

However, as the two current agreements for consultant master services are now nine years old, staff has recently conducted a new Request for Qualification (RFQ) process to help ensure that quality expertise is retained as Airport capital project design and implementation continues. Typical projects for these consultant services include interior and exterior terminal upgrades or remodeling, rehabilitation of existing airfield pavement, roadway/parking facility modifications, and analyses relating to implementation of remaining Airport Master Plan projects.

### **ANALYSIS**

The procurement of new on-call consultant master services agreements has been conducted through a qualifications-based selection process. On June 4, 2014, the City released an RFQ on the City's Internet bid site (BidSync). Outreach for the RFQ was conducted by contacting numerous consulting firms. The deadline to respond to the RFQ was July 16, 2014, which resulted in 200 firms downloading the RFQ from BidSync, and submission of 10 Statements of Qualifications (SOQs).

The SOQs were evaluated and scored by a five-member screening panel consisting of two Airport Department staff and one staff each from the Public Works Department, another local public agency, and a neighboring commercial airport. The top five firms, all of which have extensive aviation project experience are- AECOM, URS, Gensler, Kimley Horn and Jacobs. The five firms were invited for an interview by the panel, and were scored on their subject matter expertise and presentation.

As a result of the two step evaluation process, AECOM emerged as the top-ranked firm, followed by URS, and Gensler, all of which included a team of specialized subconsultants. Subsequent to completion of the selection process, AECOM and URS merged into a single firm (retaining the AECOM name), which moved Gensler up as the second highest-ranked firm.

Under the proposed master consultant agreements, all work will be conducted under individual task orders authorized by staff, as has been done under the current master services agreements. Each task order will be subject to appropriation of funds by Council and will specify a negotiated scope of work, staffing, compensation amount, and schedule. The total combined budgeted amount for both of the proposed master consultant agreements is \$6,000,000 to be allocated between the two agreements over the five-year concurrent term. While each five-year agreement will have a maximum not-to-exceed amount of \$6,000,000 to allow for flexibility in allocating work between the two consultants over the concurrent terms of the agreements, the total amount to be expended for both agreements will not exceed \$6,000,000.

Staff anticipates that some of the work under these consultant agreements may be eligible for Airport Improvement Program (AIP) grant funding from the Federal Aviation Administration during the five-year term of the agreements. Therefore, the master consultant agreements include all required contract provisions for AIP grant funded projects, including but not limited to contract provisions required under the City's Disadvantaged Business Enterprise (DBE) Program for Airport development projects.

### **EVALUATION AND FOLLOW-UP**

No additional follow up actions with the Council is expected at this time.

### **POLICY ALTERNATIVES**

***Alternative # 1:** Direct City staff to pursue a fourth amendment to each of the existing on-call technical consultant master services agreements.*

**Pros:** Maintains continuity of existing consultant resources.

**Cons:** Does not necessarily ensure best expertise and experience available for Airport projects.

**Reason for not recommending:** The proposed new agreements will provide the City with the most qualified and experienced resources for the as-needed engineering/architectural/program management services.

***Alternative # 2:** Direct City staff to provide the required services with in-house resources*

**Pros:** Increased work options for current staff.

**Cons:** City staff may not have the level of expertise needed, or the workload flexibility to accommodate, the anticipated range of technical services.

**Reason for not recommending:** The complexity of implementing Airport capital projects often requires specialized expertise and timely assistance not available within the City staff organization.

### **PUBLIC OUTREACH**

This item will be posted on the City's website for the April 7, 2015 City Council agenda.

### **COORDINATION**

This memorandum has been coordinated with the Public Works Department, Finance Department, City Attorney's Office, and City Manager's Budget Office.

**FISCAL/POLICY ALIGNMENT**

The consultant services covered under these proposed agreements will support the ongoing operation and development of the Airport, consistent with the goals and policies of the City's General Plan, Economic Development Strategy, and Airport Master Plan.

**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: **\$ 6,000,000**

2. COST ELEMENTS OF AGREEMENT:

Professional Services	Per Task Order
Reimbursable Expenses	Per Task Order
Labor Rates	Under Negotiation
<b>TOTAL AGREEMENT AMOUNT:</b>	<b>\$ 6,000,000</b>

3. SOURCE OF FUNDING:

520 – Airport Capital Improvement Fund

526 – Airport Revenue Bond Improvement Fund

527 – Airport Renewal and Replacement Fund

4. FISCAL IMPACT: This project is funded through Airport Capital Funds and will have no significant adverse impact on the General Funds.

**BUDGET REFERENCE**

The table below identifies the fund and appropriations proposed to fund the agreement recommended as part of this memo.

<b>Fund #</b>	<b>Appn #</b>	<b>Appn. Name</b>	<b>Total Appn</b>	<b>2014-2015 Adopted Capital Budget</b>	<b>Last Budget Action (Date, Ord. No.)</b>
520	7755	Runway Pavement Rehabilitation	\$1,451,000	V-744	6/17/2014, 29431
526	7755	Runway Pavement Rehabilitation	\$349,000	V-744	6/17/2014, 29431
527	4007	Advanced Planning	\$518,000	V-769	10/7/2014, 29496
527	7459	Airfield Preventive Pavement Maintenance	\$107,000	V-740	10/7/2014, 29496

## HONORABLE MAYOR AND CITY COUNCIL

March 16, 2015

**Subject: Master Services Agreement for On-Call General Consultant Services to Support Implementation of the Airport Capital Improvement Plan**

Page 5

526	7604	Terminal A Ground Transportation Island Modification	\$1,810,000	V-761	10/17/2014, 29496
526	5253	Terminal Area Improvement, Phase I	\$6,918,000	V-765	6/17/2014, 29431
520	7457	Taxiway A/B Part 139 Separation	\$467,000	V-745	6/17/2014, 29431
526	7457	Taxiway A/B Part 139 Separation	85,000	V-745	10/17/2014, 29496
520/526	NEW	Southeast Ramp Reconstruction , Phase I	\$6,500,000*	V-776	N/A
520/526	NEW	Southeast Ramp Reconstruction , Phase II	\$7,800,000*	V-777	N/A
527	NEW	Stormwater Compliance - North Trash	\$550,000*	V-777	N/A
520/526	NEW	Taxiway H and K Extension	\$6,416,000*	V-777	N/A
527	NEW	Stormwater Compliance – Southeast Area Improvements	\$25,000*	V-779	N/A
527	NEW	Skyport Grade Separation Study	\$71,000*	V-776	N/A
520/526	NEW	Security Exit Doors	\$3,000,000*	V-776	N/A

Services performed by AECOM and Gensler under this agreement will be authorized by Task Order. An appropriation is not required for execution of the Master Agreement, but is required for each Task Order authorized under this agreement. The appropriations listed above are included in the 2014-2015 Adopted Capital Budget and will be utilized for the contract in 2014-2015.

\* Funding in the future years will be included in the development of the 2015-2016 Proposed Capital Budget and 2016-2020 Proposed Capital Improvement Program and is subject to appropriation of funds.

HONORABLE MAYOR AND CITY COUNCIL

March 16, 2015

**Subject: Master Services Agreement for On-Call General Consultant Services to Support Implementation of the Airport Capital Improvement Plan**

Page 6

**CEQA**

Not a Project, File No. PP10-066(d), Consultant Services for Design/Study/Research/Inspection.

/s/

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Director of Aviation

Please direct questions to Meenakshi Singh, A.A.E, Deputy Director of Aviation, Planning & Development at (408) 392-3680.